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September 4, 2018

VIA ECFS

Marlene H. Dortch, Secretary
Federal Communications Commission
445 12th Street SW
Washington, DC 20554

Re: *Connect America Fund Phase II Challenge Process*, WC Docket No. 14-93; *Connect America Fund*, WC Docket No. 10-90

Dear Ms. Dortch:

In accordance with the *Third Protective Order* for the above-referenced proceedings, GCI Communication Corp. ("GCI") hereby submits a redacted version of the attached challenge to the second set of proposed locations submitted by Alaska Communications System in the above-reference proceeding.

GCI has designated the shapefiles contained in the attached flash drive for confidential treatment pursuant to the *Third Protective Order* in WC Docket No. 10-90 *et al*.[1] This redacted version contains the entire contents of the supplement except the shapefiles.

Pursuant to the *Third Protective Order*, GCI is filing a redacted version of its challenge electronically via ECFS and two copies of the redacted version with the secretary.

Please contact the undersigned if you have questions.

Sincerely,

Julie A. Veach
Counsel to GCI Communication Corp.

cc: Alex Minard
Talmage Cox
Dangkhoa Nguyen

[1] *Connect America Fund Phase II Challenge Process et al.*, Third Protective Order, DA 12-1418, 27 FCC Rcd. 10,276 (Wireline Comp. Bur. 2012) ("*Third Protective Order*").

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Before the
Federal Communications Commission
Washington, D.C. 20554

In the Matter of	)	
	)	
Connect America Phase II Challenge Process	)	WC Docket No. 14-93
	)	
Connect America Fund	)	WC Docket No. 10-90
	)	

GCI COMMUNICATION CORP.'S CHALLENGE TO ALASKA COMMUNICATIONS SYSTEMS' SECOND SET OF PROPOSED ELIGIBLE LOCATIONS IN PARTIALLY SERVED CENSUS BLOCKS

I. INTRODUCTION

Pursuant to the challenge process established in the *ACS CAF II Order*, GCI Communication Corp. ("GCI") hereby notifies the Commission that GCI already offers qualifying voice and broadband services to over 80 percent of the unique locations that Alaska Communications Systems ("ACS") has identified in its second set of proposed locations as unserved in partially served census blocks. As explained and documented below, GCI offers voice services and broadband services of speeds greater than 10/1 Mbps to 2,604 of the 3,253 unique locations that ACS identified as unserved. As a result, ACS should not be permitted to deploy service to these locations in fulfillment of its commitments under the *ACS CAF II Order*.[1]

[1] *See Connect America Fund*, Order, 32 FCC Rcd. 12,086 (2017) ("*ACS CAF II Order*").

II. BACKGROUND

On October 31, 2016, the Commission agreed to provide nearly $20 million annually in Connect America Phase II frozen support to ACS. As a result, ACS is required to offer voice service and broadband service of 10/1 Mbps or better, with a usage allowance meeting the Commission's current standards and with latency of 100 milliseconds or less, at rates reasonably comparable to those in urban areas.[2] ACS must offer service meeting these requirements to at least 31,571 locations.[3]

Most of the locations to which ACS can deploy in fulfillment of its obligations are in census blocks in which no provider reported offering qualifying service in the June 2015 Form 477 data. The Commission provided ACS with flexibility, however, to substitute up to 7,900 unserved locations in partially-served census blocks for eligible locations in unserved census blocks.[4] Before these locations are approved as eligible, ACS must identify the specific proposed locations and submit them to the Wireline Competition Bureau ("Bureau") so that they can be subject to this challenge process.

On December 28, 2017, ACS submitted its first set of 6,056 proposed locations in partially-served census blocks, 4,762 of which ACS stated to be unique locations, while the remainder represented locations in multi-unit buildings.[5] GCI filed a challenge to 3,099 of

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2 *See id.* at 12,089 ¶¶ 9 & 12, 12,090 ¶ 15, 12,091 ¶ 19, 12,903 ¶ 27.

3 *See id.* at 12,093 ¶ 27.

4 *See id.* at 12,096 ¶ 35.

5 *See* Letter from Ruth L. Willard, Sr. Director Revenue Management, Alaska Communications Systems, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 10-90 (filed Jan. 3, 2018); *see also* ACS_EPS_SLs.xlsx, WC Docket No. 14-93 (filed Dec. 28, 2017).

ACS's unique proposed locations and, at the request of staff, later provided additional supporting data.[6]

On June 21, 2018, ACS filed a second set of 4,691 proposed eligible locations in partially-served census blocks, of which ACS states 3,252 are unique locations.[7] On July 19, 2018, the Bureau released a Public Notice continuing the challenge process and inviting responses to the additional 4,691 locations submitted by ACS.[8] Under the challenge process, any provider serving locations identified by ACS as unserved has until September 4, 2018, "to notify ACS and the Bureau that they currently offer voice and broadband service meeting the requirements to the locations identified by ACS."[9]

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6 *See* General Communication, Inc.'s Challenge to Alaska Communications Systems' Proposed Eligible Locations in Partially Served Census Blocks, WC Docket Nos. 14-93 & 10-90 (filed Mar. 22, 2018) ("GCI First Challenge"); Letter from Julie A. Veach, Counsel to GCI Communication Corp., to Marlene H. Dortch, Secretary, FCC (filed Aug. 29, 2018) (providing shapefiles depicting GCI's cable node boundaries in the areas relevant to the first challenge and spreadsheet showing analysis of proximity of each of ACS's proposed location coordinates to a civic address).

7 *See* Letter from Ruth Willard, Sr. Director of Revenue Management, Alaska Communications Systems, to Marlene H. Dortch, Secretary, Federal Communications Commission, WC Docket Nos. 10-90 (filed June 21, 2018); ACS Excel Document, ACS_CAF_II_Partially_Served_Census_Blocks,_Round_2_(lat:long).pdf, WC Docket No. 10-90 (filed June 21, 2018).

8 *Wireline Competition Bureau Commences Alaska Communications Systems Connect America Fund Phase II Challenge Process*, Public Notice, DA 18-92 (Wireline Comp. Bur. Feb. 5, 2018) ("*Public Notice*").

9 *Id.*

III. GCI OFFERS QUALIFYING VOICE AND BROADBAND SERVICES TO OVER 80 PERCENT OF THE LOCATIONS IDENTIFIED BY ACS AS UNSERVED

As described and documented in detail below, GCI already offers facilities-based, residential, fixed voice service and broadband service at 10/1 Mbps or higher, at prices at or below the Alaska-specific reasonable comparability benchmark, to 2,604 of the 3,252 unique locations ACS identified as unserved by any provider. To determine whether GCI already offers service to the allegedly unserved locations identified by ACS, GCI examined two sets of internal company data, as described in more detail in the expert declarations included as Attachments A, B, and C.

First, GCI reviewed its own geospatial node-boundary data that reflect the specific properties that GCI serves with a given cable-network node. For each network node, this data reflects the specific properties past which GCI has physically run coaxial cable terminating at that node. Correspondingly, because GCI is generally able to serve any residence that is "passed" by GCI's cable network in this way, any property indicated as being within a node boundary is a property that GCI can serve with high-speed internet service, with possible unusual exceptions.

GCI maintains this data on an ongoing basis primarily to ensure that cable modems installed on a customer's premises are properly configured to operate with the correct GCI network node. This data is first created when GCI engineers initially install the coaxial cable that serves a given node, and is constantly updated and refined as GCI engineers perform customer installations and network maintenance. Accordingly, this data very reliably reflects where GCI currently offers cable internet service.

In reviewing ACS's proposed locations, GCI determined which of these locations fall within a GCI node boundary as reflected in this node-boundary dataset. As a result of this analysis, GCI identified 2,604 unique proposed ACS locations that are located within the boundaries of properties to which GCI currently offers service. The locations break down by community as follows:

Table 1

Community	# of locations ACS proposes to serve	# of locations to which GCI offers qualifying service
Anchorage/Kenai/ Soldatna	215	156
Fairbanks	2980	2428
Homer	57	20
Total	**3,252**	**2,604**

To each of these locations, GCI offers service with speeds well in excess of 10/1 Mbps, at terrestrial latency, with "soft" usage limits well above the Commission's 170 GB minimum, and monthly fees well below the Commission's Alaska-specific reasonably comparable benchmark rate.[10] GCI also offers voice service to all these locations. GCI provides its relevant cable node boundaries, within which it offers qualifying service, as a confidential electronic attachment to this filing (Attachment D). Attachment E provides screen shots from GCI's website showing the current internet offers available in these areas; all relevant communities are served with speeds

[10] *Wireline Competition Bureau Announces Results of 2018 Urban Rate Survey for Fixed Voice and Broadband Services,* Public Notice, 32 FCC Rcd. 9339, 9340 (Wireline Comp. Bur. 2017).

up to 1 Gbps/250 Mbps.[11] Attachment F includes the entire list of locations ACS submitted in its June 21, 2018 filing and indicates which of these locations GCI challenges because they are fall within its cable node boundaries and are already served with its qualifying voice and broadband services.

Second, to support its analysis showing that GCI already offers service to the majority of the locations ACS identified as unserved, GCI also examined where it already provides service to subscribers. GCI compared ACS's proposed locations to the addresses of *existing* GCI cable broadband customers and identified ACS geocodes for which the nearest street address corresponds to the address of a current GCI cable broadband subscriber in GCI's customer database. To do this, GCI used a generally available geocoding service (OpenAddresses.io), which primarily relies on geospatial data maintained by local governments, to obtain geocoded coordinates of each address in the vicinity of a proposed ACS location, each of which is associated with a street address.[12] GCI then used standard geospatial analysis techniques to determine which of these locations, with corresponding street addresses, are closest to each ACS location. Attachment F includes the nearest address and its distance from the ACS coordinates in meters.

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[11] GCI notes that since it filed its challenge to the first set of ACS proposed locations, it has upgraded service in Homer from a highest available speed of 250 Mbps/15 Mbps to 1 Gbps/50 Mbps.

[12] In a few instances, the OpenAddresses database does not contain the coordinates for a particular address, and GCI has estimated the distance between ACS's coordinates and the nearest address using other available data. The rows in Attachment F without an address reflect this situation.

These resulting addresses were then compared to a list of the addresses of current GCI subscribers that either currently receive, or could receive, 10/1 Mbps internet service that satisfies the Commission's price and usage-allowance benchmarks. This technique identified 1,537 of ACS's proposed 3,252 unique locations that GCI not only serves, but where residents are actually subscribed to GCI's internet service, broken down by community as follows:

Table 2

	Column A	Column B	Column C
Community	# of locations ACS proposes to serve	# of locations to which GCI offers qualifying service	# of locations in Column B with a current GCI internet customer
Anchorage/Kenai/ Soldatna[13]	215	156	119
Fairbanks	2980	2428	1418
Homer	57	20	0
Total	**3,252**	**2,604**	**1,537**

Pursuant to the challenge process, GCI need only show that it *offers* qualifying service to an allegedly unserved location. Out of concern for the privacy of its customers and full compliance with requirements around customer proprietary network information, GCI is not providing the specific locations of its customers but describes its analysis in the attached declarations. By providing data regarding current subscribership, GCI does not suggest that only locations with current subscribers to GCI's broadband service are ineligible locations for ACS to deploy to in satisfaction of its commitments. Rather, the data about current subscribership

[13] Although Kenai/Soldatna is a separate community southwest of Anchorage, GCI groups its summary analysis for Kenai/Soldatna together with its analysis for Anchorage to preserve subscriber privacy.

provides additional evidence that GCI actually *offers* service to the majority of locations in ACS's filing. The information supports GCI's evidence that it offers qualifying service to 2,604 of ACS's unique proposed locations.

IV. LEGAL ARGUMENTS

GCI incorporates by reference the legal and procedural arguments made in its comments and reply comments in the first challenge proceeding.[14]

V. CONCLUSION

The Commission should conclude that the locations identified by GCI in Attachment F as already served are not eligible for ACS to deploy to in fulfillment of its *ACS CAF II Order* obligations.

Respectfully submitted,

Chris Nierman
GCI COMMUNICATION CORP.
1900 L Street, N.W., Suite 700
Washington, D.C. 20036
(202) 503-2851

John T. Nakahata
Julie A. Veach
HARRIS, WILTSHIRE & GRANNIS LLP
1919 M Street, N.W., 8th Floor
Washington, D.C. 20036
(202) 730-1300

Counsel for GCI Communication Corp.

September 4, 2018

[14] *See* GCI First Challenge; Reply of GCI Communication Corp. to Challenge to Alaska Communications Systems' Proposed Eligible Locations in Partially Served Census Blocks, WC Docket Nos. 14-93 & 10-90 (filed May 23, 2018) (addressing the standard for determining whether a location is served, the relevance of data regarding current GCI customers, and whether GCI is an unsubsidized competitor and the relevance of that classification to the challenge process).

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CERTIFICATE OF SERVICE

I, Remington Pool, hereby certify that on this 4th day of September, 2018, I caused true and correct copies of the foregoing Challenge to Alaska Communications Systems' Proposed Second Set of Eligible Locations In Partially Served Census Blocks to be served by U.S. mail, first-class prepaid and electronic mail upon:

Karen Brinkmann
Managing Member
Karen Brinkmann PLLC
1800 M Street NW, Suite 800-N
Washington, DC 20036
KB@KarenBrinkmann.com

Richard R. Cameron
Cameron Law & Policy LLC
2550 M Street NW, Suite 343
Washington, DC 20037
richard@cameronlawpolicy.com

Dangkhoa Nguyen (via email only)
Telecommunications Access Policy Division
Wireline Competition Bureau
Federal Communications Commission
445 12th Street NW
Washington, DC 20554
Dangkhoa.Nguyen@fcc.gov

ConnectAmerica@fcc.gov (via email only)

/s/ Remington Pool

Remington Pool
Harris, Wiltshire & Grannis LLP
1919 M Street NW, Suite 800
Washington, DC 20036
(202) 730-1300
rpool@hwglaw.com

ATTACHMENT A

DECLARATION OF MARKUS KOFOID

1. I serve as the Manager of Outside Plant Design & Data Management for GCI Communication Corp. I have served in this role since January of 2017. Previously, I served as Outside Plant Design Engineer for General Communication Inc. I held that position for more than nine years.

2. In both my current and previous positions, I was responsible for planning GCI coaxial cable runs—i.e., the routes to be used in physically running coaxial cable from GCI nodes, past customer premises, in order to allow GCI to serve those locations. I am also responsible for managing all company data that record the locations of these cable runs in order to determine which customers GCI is able to serve using its cable plant, for capacity planning, and other purposes.

3. This data includes maps and other geospatial data reflecting the extent of GCI's cable plant and its organization into nodes and other units of network organization.

4. These data include node-boundary maps. These maps reflect the boundaries of property lots that are physically passed by coaxial cable that terminates at the node indicated by the map. Therefore, locations within the node boundary indicated reflected on GCI's node boundary maps can nearly always be served by that node and, therefore, by GCI.

5. These data are important to the everyday operation of GCI's business as they affect important aspects of GCI's network operations, including settings used in provisioning and configuring subscribers' modems. Therefore, this data is maintained to a high degree of accuracy.

6. I estimate that these maps are approximately 97% accurate, in that a location indicated as being just within the area served by a given node is 97% likely to actually be served by that node, and vice versa. Errors involving lots that are not adjacent to a node boundary exhibit far fewer errors still. Although it is not unheard of for GCI engineers to discover that a given location that appears within a given GCI node boundary is, in fact, outside of it, these events are rare. When this does occur, the node boundary map is updated accordingly, meaning that the map becomes even more accurate over time.

7. I provided these node maps to other GCI personnel and GCI's mapping consultant, Ian Moore, of Alaska Map Science, so that they could determine which of ACS's proposed locations are in fact unserved by GCI's high-speed Internet service.

I declare the foregoing to be true and correct under penalty of perjury.

Markus Kofoid

9/4/18

Date

ATTACHMENT B

DECLARATION OF IAN MOORE

1. I've been the owner of Alaska Map Science for 15 years, during which time I've specialized in providing geographic analysis and computer cartography services, with particular experience dealing with the peculiarities of Alaskan geography and related datasets.

2. I was asked to analyze data submitted to the Federal Communications Commission by Alaska Communications Systems ("ACS") identifying 3,252 locations, to determine which locations, if any, are already served by GCI's high-speed internet service.

3. To do this I considered data provided to me by GCI including 1) ACS's 3,252 geocoded locations, 2) GCI's node-boundary maps, which reflect the lots passed by GCI's coaxial cable plant, and 3) a list of addresses of existing GCI internet subscribers indicating, for each subscriber, subscribed-to and maximum available upload and download speeds.

4. First, using standard geospatial analysis techniques and tools—including ESRI's ArcGIS, Google Earth, Microsoft Excel, and Safe Software's FME package—I analyzed ACS's geocoded locations to determine which fall within a GCI node boundary.

5. This analysis indicated that 2,604 of ACS's 3,252 locations, or 80%, were located within a GCI node boundary.

6. Second, I used a list of GCI's subscriber addresses and a general-purpose database called OpenAddresses (https://openaddresses.io/) which comprises a collection of geographic coordinates associated with street addresses. I first obtained the OpenAddresses dataset containing latitude/longitude coordinates of each address in the relevant areas of Alaska. Then, for each proposed ACS location, I identified the nearest location in the OpenAddresses database. In the majority of instances, the nearest address was within 10 meters of the ACS proposed location, but in a few instances in areas with large lots or on military land, the nearest address point was more than 100 meters away.

7. I then identified the street address of that closest location in the OpenAddresses database and determined whether the GCI subscriber address list included that same address. If it did, I determined whether, according to the data GCI provided me, that subscriber has already subscribed to a GCI cable internet service.

8. I identified 1,537 proposed ACS locations that satisfied the criteria above.

9. Isolated errors in this analysis are possible due to inaccuracies in the coordinates of ACS's proposed locations or in the OpenAddresses dataset. However, such errors are likely insignificant because in the vast majority of cases the GCI subscriber address is

only a few meters away from ACS's proposed location, suggesting a high-confidence match.

I declare the foregoing to be true and correct under penalty of perjury.

Ian Moore

8/31/2018

Date

ATTACHMENT C

DECLARATION OF ARTHUR WILKEY

1. I serve as Senior Analyst, Data Business Intelligence for GCI Communication Corp. I have served in this role since May 2000.

2. To facilitate GCI's review of ACS's proposed locations, I provided a current list of the geocoded locations and extracted addresses of existing subscribers of GCI internet service, including the speed to which each customer is currently subscribed.

3. This subscriber list is derived from GCI subscriber data that it maintains in the ordinary course of business.

4. I provided this address data to GCI's mapping consultant, Ian Moore, of Alaska Map Science, so that he could determine which of ACS's proposed locations are in fact unserved by GCI's high-speed Internet service.

I declare the foregoing to be true and correct under penalty of perjury.

/s/
Arthur Wilkey

9/4/2018
Date

ATTACHMENT D

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Attachment D consists of a flash drive containing shapefiles that depict GCI's cable node boundaries for the service areas relevant to this challenge. The flash drive is password protected and provided with the confidential version. The flash drive is not included in the redacted version.

ATTACHMENT E

FAST	FASTER	FASTEST	1 GIG red UNLIMITED
$64.99/mo	$94.99/mo	$144.99/mo	$174.99/mo
Download up to 75 Mbps	Download up to 150 Mbps	Download Up to 250 Mbps	Download up to 1 Gbps
Upload up to 5 Mbps	Upload up to 10 Mbps	Upload Up to 15 Mbps	Upload up to 50 Mbps
Data speeds reduced at 50 GB	Data speeds reduced at 250 GB	Data speeds reduced at 500 GB	Data Now with UNLIMITED data
ADD TO CART	ADD TO CART	ADD TO CART	ADD TO CART

PLAN DETAILS

You asked for it, you got it. Now you can enjoy unlimited data on red and 1 GIG red plans. Service intended for residential use only. Reasonable use limits apply. See terms of service for additional details.

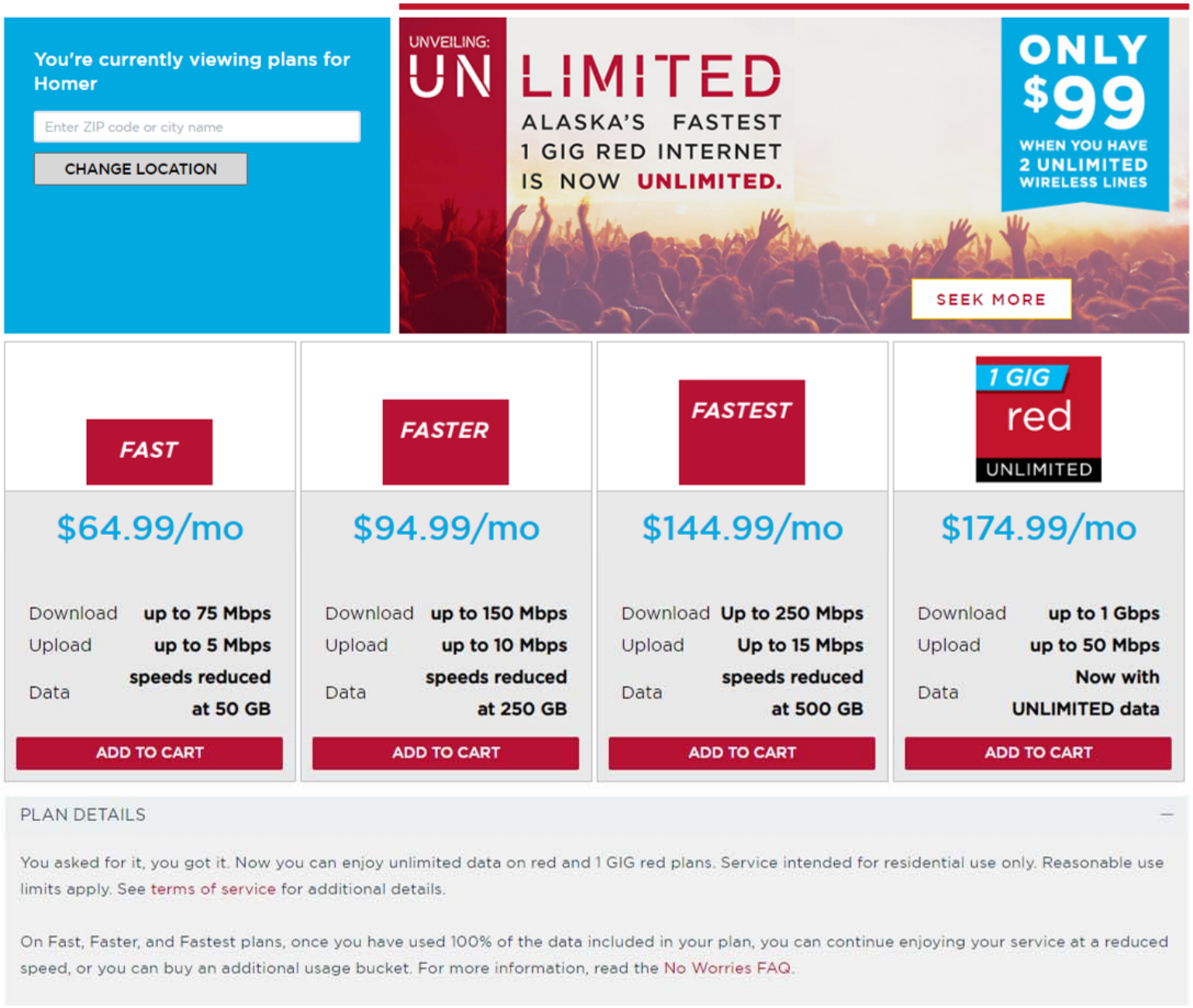
On Fast, Faster, and Fastest plans, once you have used 100% of the data included in your plan, you can continue enjoying your service at a reduced speed, or you can buy an additional usage bucket. For more information, read the No Worries FAQ.

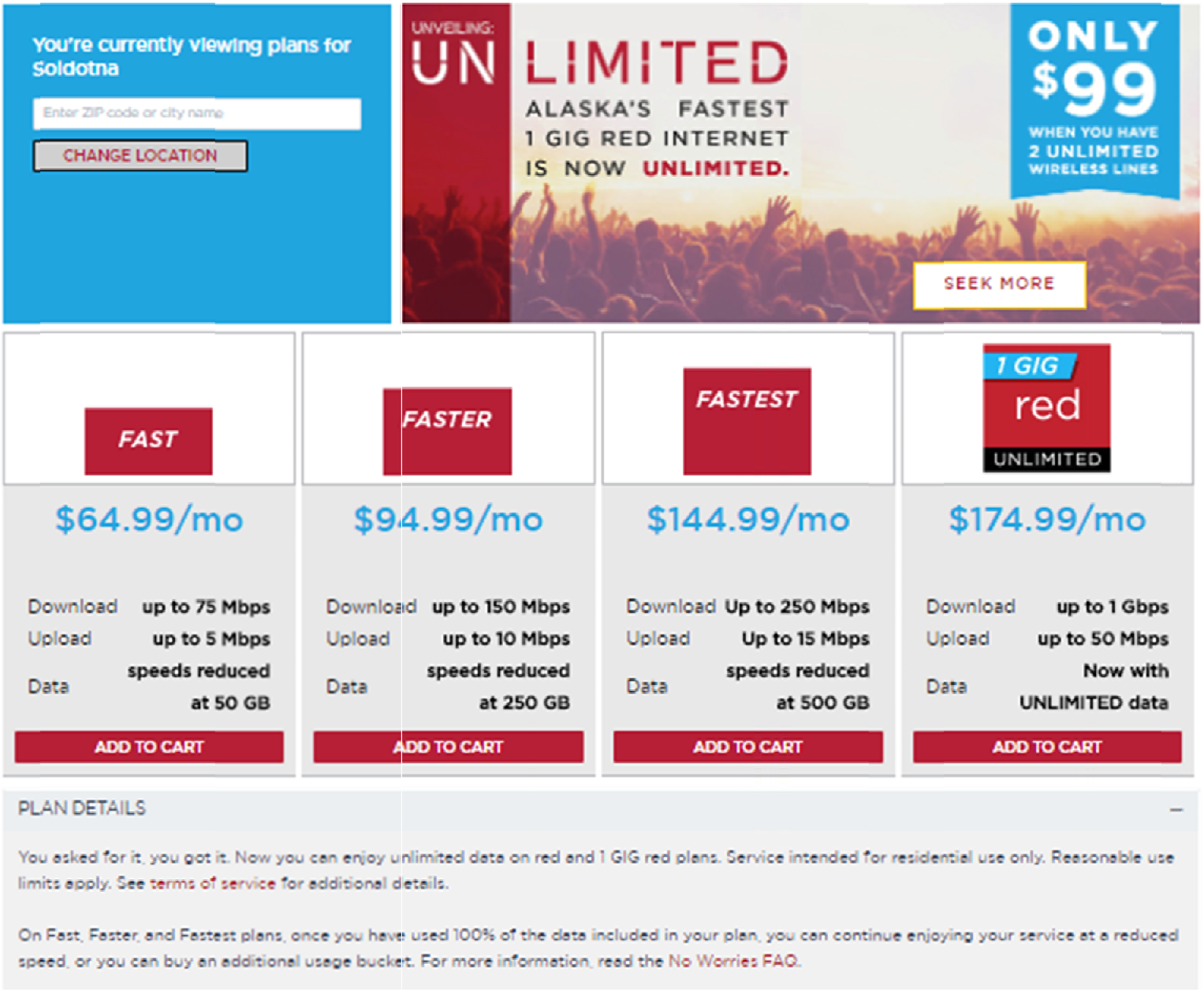
FAST	FASTER	FASTEST	1 GIG red UNLIMITED
$64.99/mo	$94.99/mo	$144.99/mo	$174.99/mo
Download up to 75 Mbps Upload up to 5 Mbps Data speeds reduced at 50 GB	Download up to 150 Mbps Upload up to 10 Mbps Data speeds reduced at 250 GB	Download Up to 250 Mbps Upload Up to 15 Mbps Data speeds reduced at 500 GB	Download up to 1 Gbps Upload up to 50 Mbps Data Now with UNLIMITED data
ADD TO CART	ADD TO CART	ADD TO CART	ADD TO CART

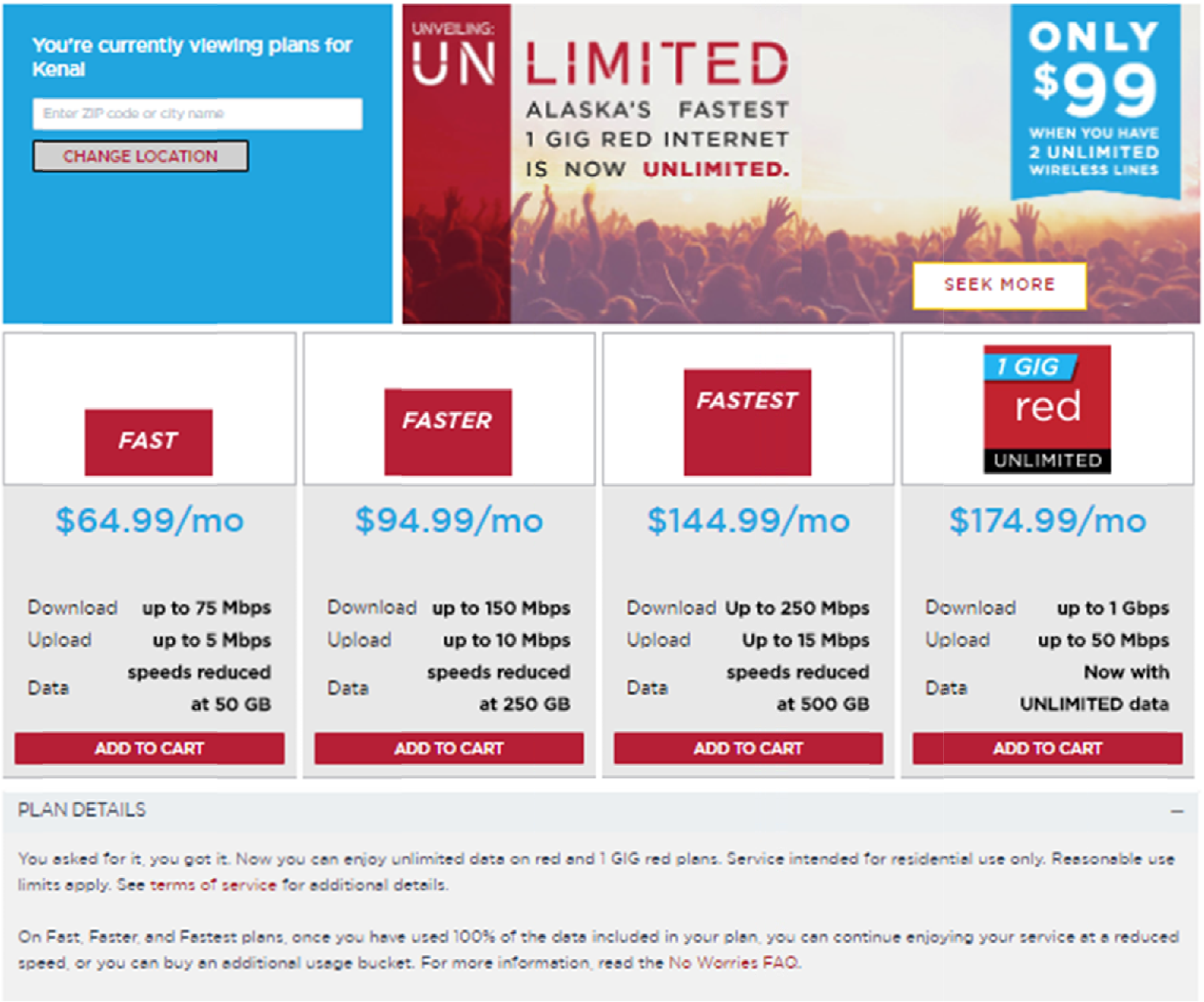
PLAN DETAILS

You asked for it, you got it. Now you can enjoy unlimited data on red and 1 GIG red plans. Service intended for residential use only. Reasonable use limits apply. See terms of service for additional details.

On Fast, Faster, and Fastest plans, once you have used 100% of the data included in your plan, you can continue enjoying your service at a reduced speed, or you can buy an additional usage bucket. For more information, read the No Worries FAQ.







ATTACHMENT F